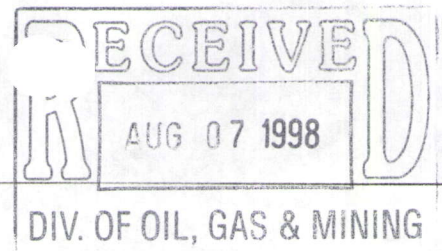


# Umetco Minerals Corporation



P.O. BOX 1029  
GRAND JUNCTION, COLORADO 81502  
☎ (970) 245-3700



*M/037/025 DEREMO-PETERSON*

August 4, 1998

Mr. Ted McDougall  
Geologist  
Bureau of Land Management  
435 Main  
P.O. Box 7  
Monticello, Utah 84535

**Subject: Request to Borrow Earthen Material, Summit Canyon, San Juan County, Utah**

Dear Mr. McDougall:

Umetco Minerals Corporation requests to borrow earthen material at the bottom of Summit Canyon to cover and stabilize mine waste piles and disturbed areas at the Peterson Mine and Deremo-Snyder Mine.

Enclosed is a map showing the location of the proposed borrow area, and a secondary borrow area that could be utilized if necessary. The borrow area is approximately 3.7 acres and the earthen material in the area is at least 25 feet deep, as shown in the attached photographs. Umetco plans to borrow approximately 40,000 cubic yards of material. The average depth of excavation will be approximately 7 feet with depth ranging from 12 to 13 feet on the west side to 2 to 3 feet on the east side.

Reclamation of the borrow site will consist of recontouring the slopes to blend into the area with slopes of 3H:1V or less, and revegetating the area with a natural seed mix approved by the BLM.

The Peterson Mine is located in Sections 2 and 11, Township 33 South, Range 26 East, SLM, San Juan County Utah. The Deremo-Snyder Mine is located in Section 35, Township 43 North, Range 20 West, and Sections 1 and 2, Township 42 North, Range 20 West, NMPM, San Miguel County, Colorado. The Peterson Mine and the Deremo-Snyder mine are adjacent to each other. The Peterson Mine is permitted by the Utah Division of Oil, Gas and Mining(DOGM) permit number M/037/025, and the Deremo Snyder Mine is permitted under the Colorado Division of Minerals and Geology(DMG) permit number M/77/288.

If you have any questions, or need further information, please call.

Sincerely,

Tony Bates  
Mines Reclamation Manger

cc: Tony Gallegos, Utah DOGM  
W. Erickson, Colorado DMG



**Summit Canyon Borrow Area**  
August 3, 1998

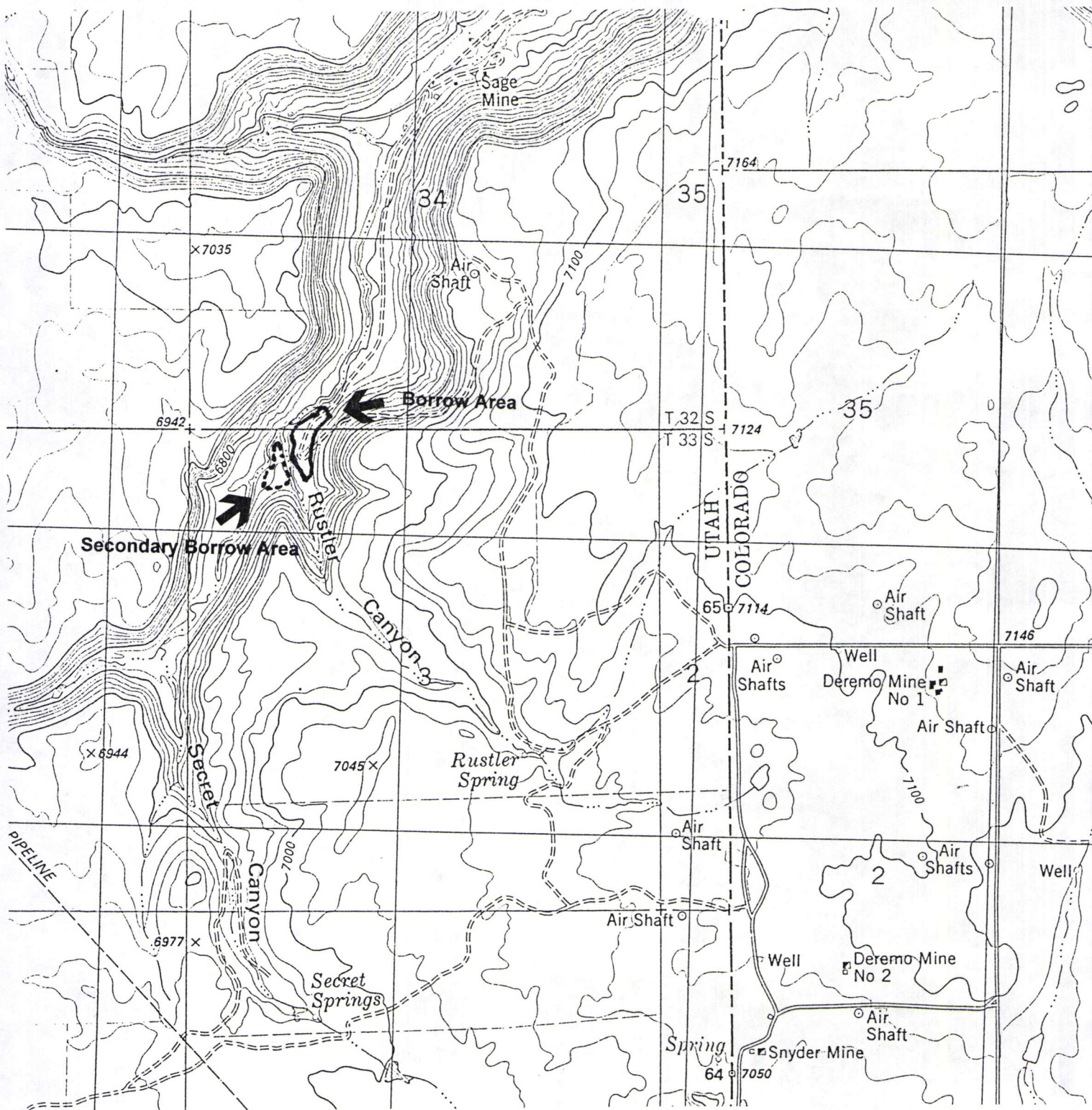


Looking northwest, with the west side of the borrow area on the right, and east side of the secondary borrow area on the left. The staff shown is 25 ft. in length.



Looking southwest, at the main bend in the access road within the south central portion of the borrow area. In the background is the secondary borrow area.





**Summit Canyon Borrow Area**  
 NW ¼ Section 3, T 33S, R 26E  
 SW ¼ Section 34, T 32S, R 26E  
 San Juan County, Utah  
 (From USGS Piute Knoll Quadrangle)

